STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
CHARLES J. KROGMEIER, DIRECTOR

INFORMATIONAL LETTER NO. 820 July 16, 2009

To: Iowa Medicaid Physician, Dentist, Advanced Registered Nurse Practitioner, Therapeutically Certified Optometrist, Podiatrist, Pharmacy, Home Health Agency, Rural Health Clinic, Clinic, Skilled Nursing Facility, Intermediate Care Facility, Community MH, Family Planning, Residential Care Facility, ICF MR State, Community Based ICF/MR Providers

From: Iowa Department of Human Services, Iowa Medicaid Enterprise

Date: July 9, 2009

Subject: Iowa Medicaid Pharmacy Program Changes

Effective: **August 3, 2009**

1. Changes to the Preferred Drug List (PDL)[1] Effective August 3, 2009

Preferred	Non-Preferred	Recommended
Carbamazepine Suspension	Aczone® Gel[1]	Afinitor®
Clotrimazole Troche[1]	Amphetamine ER[1]	Degarelix
Exforge HCT®[1]	Apriso™	Prezista® 75mg & 150mg Tablet
Griseofulvin Suspension[1]	Aralast NP™[1]	
Lamotrigine	Cefaclor 250mg Capsule	
Levetiracetam	Dorzolamide/Timolol	
Santyl®	Effexor®	
Toviaz™	Eliphos™	
Venlafaxine	Gelnique™	
	Gesticare®	
	Gesticare DHA®	
	Kapidex™[1]	
	Keppra®[2]	
	Lamictal®[2]	
	Meperidine Injection	
	Natelle Plus® Pak with DHA	
	Omnitrope®[1]	
	PrandiMet®	
	Prefera-OB®	
	Rapaflo™	
	Rowasa® Enema	
	Ryzolt™[1]	
	Sancuso®[1]	
	Topiramate	
	Uloric®	
	Vimpat®	

[1] Clinical PA Criteria Apply
[2] Grandfather for seizure disorder-Automatic POS look-back for existing users
[3] Quantity Limits

2. **Drug Prior Authorization**

a. Changes to Existing Prior Authorization Criteria - See complete prior authorization criteria posted at www.iowamedicaidpdl.com under the Prior Authorization Criteria tab.

- **ADD/ADHD/Narcolepsy Agents:** Prior Authorization (PA) is required for ADD/ADHD/Narcolepsy Agents for members 21 years of age and older. *PA is also required for all non-preferred agents, regardless of age, the first day of therapy. Payment for a non-preferred agent will be authorized only for cases in which there is documentation of previous trial and therapy failure with a preferred agent, unless evidence is provided that use of these agents would be medically contraindicated. *If a non-preferred long-acting medication is required, a trial of the preferred immediate release and extended release product of the same chemical entity is required, unless evidence is provided that use of these products would be medically contraindicated.*
- **Extended Release Formulations:** Payment for a *non-preferred* extended release formulation will be considered only for cases in which there is documentation of previous trial and therapy failure with the *preferred* immediate release product of the same chemical entity, unless evidence is provided that use of the immediate release product would be medically contraindicated.

  Prior authorization is required for the following extended release formulation(s): *Adoxa, Amrix, Cardura XL, Cipro XR, Coreg CR, Doryx, Flagyl ER, glipizide er, Glucotrol XL*, Luvox CR, *metronidazole sr, Prozac Weekly, Requip XL, Ryzolt*, Seroquel XR, *Solodyn ER, tramadol sr, Ultram ER.*
- **Modified Formulations:** The addition of *Trilipix*™ and *Xopenex*® to this prior authorization.
- **Nonsteroidal Anti-Inflammatory Drugs:** *If a non-preferred long-acting medication is requested, one of the therapeutic trials must include the immediate release form of the requested product, unless evidence is provided that use of the immediate release product would be medically contraindicated.*

3. **Frequently Asked Questions:** Please refer to the Frequently Asked Questions (FAQs) link located at www.iowamedicaidpdl.com for a complete listing of FAQs regarding mental health drugs being placed on the PDL.

4. **OTC Drug Coverage of Polyethylene Glycol 3350 powder (Miralax®):** Effective April 23, 2009, CMS changed the DESI status of all legend Polyethylene Glycol (PEG) 3350 Powder products from a payable DESI 2 code (safe and effective or Non-DESI) to a non-payable DESI 5 code (indicates a less-than-effective or DESI drug). Please refer to the complete CMS notification posted at www.iowamedicaidpdl.com under CMS Updates. As a result, legend PEG products are no longer payable by Iowa Medicaid.

   Effective May 8, 2009, Polyethylene Glycol 3350 powder (Miralax®) was added as an OTC payable drug for members under the age of 19.

   - 12 years of age and under—Preferred and payable without prior authorization.
   - 13-18 years of age —Nonpreferred and requires prior authorization.
   - 19 years of age and older—Noncovered

NDC	Drug Name	Package Size	OTC MAC
11523-7234-03	Polyethylene Glycol 3350 Powder (MiraLAX®)	238gm	0.0372
11523-7234-04	Polyethylene Glycol 3350 Powder (MiraLAX®)	510gm	0.0339
11523-7234-09	Polyethylene Glycol 3350 Powder (MiraLAX®)	510gm	0.0255

5. **Point of Sale (POS) Billing Issues:**

a). ProDUR Quantity Limits: The following quantity limit edit was implemented on *June 5, 2009*. A comprehensive list of all quantity limit edits appears on our website, www.iowamedicaidpdl.com under the heading, "Quantity Limits".

Drug Product	Quantity	Days Supply
Bactroban Nasal® Ointment	10gm	30

b). POS Date of Birth Verification: Effective ***June 15, 2009*,** POS will begin editing for the exact date of birth (DOB) from the eligibility file for Iowa Medicaid members. The National Counsel for Prescription Drug Programs (NCPDP) Version 5.1 Payer Sheet will now make Field # 304-C4 (Date of Birth) mandatory. The NCPDP rejection message will state "***09 M/I DATE OF BIRTH Please verify DOB with member"***. Claims should be resubmitted with the correct date of birth for the member. For discrepancies, pharmacies may call the Eligibility Verification System (ELVS) at 1-800-338-7752 or 323-9639 (local). Pharmacies may also call the POS Helpdesk at 877-463-7671 or 725-1107 (local) for additional assistance.

c). Proper Billing of Pharmacy Claims for Deceased Members: Pharmacy claims **must** be billed prior to the date of death for all Iowa Medicaid members. Pharmacies should use the dispense date for claims processing for all members. Failure to bill prior to date of death may result in the program recouping for any claims processed after the date of death.

6. **Preferred Brand Name Drugs on the PDL-Pharmacy Clarification**

- When a status change occurs for a previously preferred brand name drug to non-preferred status, up to a *minimum* of 30 days transition period is given to pharmacies to help utilize existing brand name product in stock in an effort to decrease a pharmacy's remaining brand name drug inventory (see PDL comment section regarding transition periods exceeding 30 days).
- If additional stock remains beyond this time period, pharmacies may call the POS Helpdesk at 877-463-7671 or 515-725-1107 (local) to request an override for the non-preferred brand name drug with a recent status change.

7. **AWP Reporting by Medi-Span**

Wolters Kluwer Health has entered into an agreement with the plaintiffs of the First DataBank AWP lawsuit regarding their publication of AWP in Medi-Span. **Effective September 26, 2009**, Wolters Kluwer Health will be adjusting its reporting of Medi-Span's AWP for certain prescription drugs by reducing the mark-up factor to WAC x 1.20 for all products that currently have a mark-up factor from WAC or Direct Price in excess of 1.20. (i.e., an AWP that was calculated as WAC x 1.25 will be decreased to WAC x 1.20). Discontinuation of the AWP is planned for September 2011. Since Iowa Medicaid relies on Medi-Span's AWP to calculate EAC, reimbursement to the pharmacy may be impacted by this reporting change. Pharmacies may want to check with their wholesaler on how this will impact purchases.

8. **DUR Update:** The latest issue of the Drug Utilization Review (DUR) Digest is located at the Iowa DUR website, www.iadur.org, under the "Newsletters" link.

We encourage providers to go to the website at **www.iowamedicaidpdl.com** to view all recent changes to the PDL. If you have questions, please contact the Pharmacy Prior Authorization Helpdesk at 877-776-1567 or 515-725-1106 (local in Des Moines) or e-mail info@iowamedicaidpdl.com.